

THE GEORGE WASHINGTON UNIVERSITY NAVY GRADUATE
FINANCIAL MANAGEMENT PROGRAM

FINANCIAL MANAGEMENT IN THE MARINE CORPS: AN EVALUATION

A group research project prepared
in partial fulfillment of the
requirements in a Research Seminar
in Comptrollership, (B.A. 295),
under the direction of Dr. A. Rex Johnson

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TABLE OF CONTENTS

	Page
LIST OF TABLES	iii
Chapter	
I. INTRODUCTION - AN EXPLANATION OF THE INQUIRY	1
II. THE PAST - A BIT OF HISTORY AND THE PRESENT CONCEPT.	7
III. THE PRESENT - AN ANALYSIS OF THE INQUIRY	24
IV. THE FUTURE - A STATEMENT OF CONCLUSIONS.	75
APPENDIXES	
A. COVER LETTER TO THE MARINE CORPS FISCAL EVALUATION RESEARCH PROJECT.	82
B. FISCAL QUESTIONNAIRE AND INSTRUCTIONS FOR THE MARINE CORPS FISCAL EVALUATION RESEARCH PROJECT.	84
C. DISTRIBUTION OF THE COMMANDS RECEIVING THE MARINE CORPS FISCAL EVALUATION RESEARCH PROJECT QUESTIONNAIRE.	92
BIBLIOGRAPHY	94

LIST OF TABLES

Table		Page
1.	Distribution of Respondents by Rank and Fiscal Association	27
2.	Distribution of Respondents by General Categories of Military Specialty (Group 1 - nonfiscal personnel)	28
3.	Distribution of Respondents by General Categories of Military Specialty (Group 2 - Comptroller/Fiscal Personnel)	28
4.	Distribution of Response by Current Assignment; Command or Staff (Group 1)	31
5.	Distribution of Response by Military Experience for Ten Years; Command or Staff (Group 1)	35
6.	Distribution of Response by Staff Experience for Ten Years; Supply/Logistics and other (Group 1)	37
7.	Distribution of Response by Preference of Comptroller/Fiscal Officer Organizational Location; General or Special Staff (Group 1)	47
8.	Distribution of Response by Opinion on Command Echelon Requiring a Comptroller/Fiscal Officer; Division/Wing or Higher and Subordinate Commands (Group 1)	50
9.	Distribution of Response Regarding Adequacy of Official Directives (Group 1)	53

Table		Page
10.	Distribution of Response by Familiarity with Official Publications (Group 1).	56
11.	Distribution of Response Regarding Requirement for Increased Education (Group 1).	58
12.	Distribution of Response by Suggested Methods of Providing Education (Group 1)	60
13.	Distribution of Respondent by Billet Title (Group 2).	62
14.	Distribution of Problem Areas	72

CHAPTER I

INTRODUCTION - AN EXPLANATION OF THE PROJECT

A new assignment or mission for any Marine has traditionally been a source of challenge. Since 1776, such opportunities have provided a medium for greater service to both his country and his corps. Therefore, naturally and almost inevitably, this was the mental response of our group of four Marine officers when the first term project for the Research Seminar in Comptrollership was assigned. Military breeding and esprit dictated that our efforts, regardless of ultimate value, must be directed toward an objective that might prove beneficial, in some small measure, to our corps instead of merely attempting mechanically to satisfy an imposed academic requirement.

With this lofty sentiment as motivation, the first decision to be reached was the selection of a topic or an area of investigation which would possess the inherent quality of possible significant results for our military service in general and more specifically, for the practitioners of financial management within that service. Preliminary intragroup discussions, concerning an area of effort, prompted a jovial reference to a legendary Marine Corps fable about

the newly commissioned officer who, after spending a brief period as a member of his first unit, became uneasy regarding his relationship with his Commanding Officer. Inspired by a sudden flash of common sense, not usually associated with young officers, he decided to seek the advice of a typical beribboned and experienced First Sergeant. Bemoaning his inability to satisfy the "old man" and noting that the "Top" consistently contrived to do so, the young officer inquired after the formula for such enviable performance. The old "Top" replied with his normal air of nonchalance, "That's easy, I find out what the old so and so wants - and I give it to him." This remarkably simple and obvious injunction provided the initial impetus and direction to an effort which has culminated in this paper. A consultation with the Fiscal Division at Headquarters, Marine Corps was arranged to determine in what manner this project could render practical value to the financial management of the Marine Corps.

Conferences with the Deputy Fiscal Director, Mr. Wright, who is a civilian, and the echelon of Marine officers who act as immediate assistants to the Fiscal Director of the Marine Corps yielded encouraging results. There was a definite requirement for the examination and evaluation of financial management, as currently practiced in the Marine Corps, in an attempt to identify and specifically delineate a possible problem area regarding Marine Corps education and policy with respect to financial management in general

and the comptroller/fiscal officer and his functions. To achieve this broad objective demanded current and meaningful source data upon which to base constructive conclusions. The methodology finally adopted was a three-stage technique consisting of; the construction of a relatively objective portrait of the comptroller/fiscal officer and his function derived from a factual study of the fiscal requirement and its evolution; the compilation of current dominant attitudes toward the comptroller/fiscal officer and his function as expressed by both the insiders, the fiscal practitioners, and the outsiders, commanders and staff officers in the operating forces secured by an opinion questionnaire; and lastly, the comparison of the objective and subjective views in order to extract conclusions.

At this point, the utilization of an opinion survey presented the rather complex problem of formulating an effective questionnaire. Difficulties involved in the preparation of a format of suitable length, as well as the determination of questions which would have a high probability of eliciting significant information were both perplexing and time-consuming to our uninitiated minds. However, a detailed review of the proposed questionnaire by the Policies and Procedures Section of the Fiscal Division finally resulted in minor modifications and the general acceptance of the document as satisfactory. The entire project was proceeding in a most desirable fashion. In fact, the staffing of project material in the Fiscal Division had generated

sufficient enthusiasm to enable us to solicit and obtain an official sanction for our efforts. This endorsement was to be demonstrated by the issuance of the questionnaire material to the operating forces through the formal chain of communication with the imprimatur of Headquarters, Marine Corps.

Unfortunately, this bright situation quickly deteriorated. Before our advantageous position could be exploited, the basic decision to provide the project with formal official assistance was reversed. It was decreed that such an endorsement would constitute a hazardous precedent and was additionally undesirable since the data sought would be readily accessible in the form of a private, unofficial request. Group disillusionment was intensified due to the fact that six weeks of a pressing time schedule had slipped into oblivion and consternation mounted concerning our ability to produce a paper of merit in the telescoped period remaining, if our efforts were altered to embrace another subject. After brief deliberation, the group decision was to pursue our original course of action in the hope that the necessary information would be supplied from the field without the imprint of officialdom. It is worthwhile to note at this point that our confidence was justified, for the response from the operating forces has been gratifying.

Almost concurrently with the adverse developments regarding the opinion survey, there occurred equally disappointing events in connection

with the search for historical background data. These data, if available, would have to be extracted from source material so vast in volume, so lacking in organization and so dispersed in location as to constitute a herculean task far beyond the scope of the assigned project if any attempt were made to present it in the detailed manner initially intended. Even had time permitted such extensive research, informal interviews with knowledgeable personnel resulted in the impression that much of the vital factual information relating to the establishment of a formal organization for financial management in the Marine Corps after the National Security Act Amendments of 1949, exists only in the memories or personal files of the individuals concerned. This situation is apparently attributable to the dominant position of the Quartermaster General of the Marine Corps in "money matters" prior to 1949, and his reluctance to permit the removal of fiscal matters from his realm of authority. This strained atmosphere dictated the top level confidential procedure that was pursued and apparently accounts for the dearth of official records relating to the birth of a distinct fiscal operation in the Marine Corps.

If the tone of this introduction is apologetic, it is due to the disappointment of the group in having circumstances undesirably modify the original and perhaps grandiose scheme of this project. Due to the described conditions, we have felt it necessary to shift the emphasis of the effort primarily to an analysis of the rather extensive

opinion survey which was conducted. Therefore the remainder of this paper is constructed as follows:

Chapter II, entitled "The Past - A Bit of History and the Current Concept," will consist of a sweeping, panoramic study of the evolution of financial management in the Marine Corps, with the heaviest concentration on the years since 1950, and terminating in a rough official profile of the fiscal officer and his function.

Chapter III, entitled, "The Present - An Analysis of the Inquiry," is the "piece de resistance" and presents a detailed analysis of the results of an opinion poll of the operating forces--commanders, staff officers, comptrollers and fiscal officers--regarding the fiscal function.

Chapter IV, entitled, "The Future - A Statement of Conclusion," is concerned with an evaluation of the previous section in an effort to construct valid conclusions which may prove to be of some value in determining a future course of action regarding policy and education.

CHAPTER II

THE PAST - A BIT OF HISTORY AND THE CURRENT CONCEPT

"The Marine Corps is 'sui generis'; something entirely of its own sort." This phrase was once included in a Federal Court decision construing the legal status of the corps. Therefore, while a brief historical sketch of the Marine Corps may not be essential to a presentation of contemporary financial management, this peculiar uniqueness makes some understanding of the corps' evolution an extremely meaningful backdrop for the analysis which follows in Chapters III and IV.

The statutes of the United States contain many provisions which in varying degrees affect the Marine Corps, but the charter of the "soldiers of the sea" is derived from three basic pieces of legislation: the act of 11 July 1789, "Establishing and Organizing a Marine Corps"; the Act of 30 June 1834, "For the Better Organization of the Marine Corps"; and the National Security Act of 1947, as amended. Although the Continental Congress authorized two battalions of Marines in 1776, this small and hastily formed organization withered and died after the Revolutionary War under the Articles of Confederation's Department of War.

In the act of 1789, the Corps of Marines was reconstituted as a service "in addition to the present military establishment". This same law authorized to the Corps, one Quartermaster to provide the required logistic support, (including disbursements of monies) utilizing naval sources for Marine elements at sea and Army provisions and services for units ashore.

This dual dependence continued until 1834, when new legislation by Congress affirmed the Corps as a separate service but placed it unequivocally under the Secretary of the Navy and under Navy regulations with a Quartermaster and two Assistant Quartermasters to attend to the supply and financial functions. For more than a century the acts of 1789 and 1834 governed the status of the Corps. Prior to World War I, the relatively insignificant size and the simple organization and administration of the older Marine Corps required only a rudimentary staff organization. Throughout its entire history, until the rapid expansion prompted by the First World War, the Corps had been administered by the Commandant, assisted by the Quartermaster and his assistants, an adjutant and inspector, a paymaster, a few officers and enlisted marines and finally, a handful of civilians acting in a clerical capacity. The essence of what we term financial management today was competently executed by the Quartermaster from 1789 until 1920.

With the outbreak of the First World War, the organization of the Marine Corps, in light of the growing complexity of warfare, became increasingly more intricate. The expanding logistics problem dictated a high degree of specialization within the Quartermaster Department. The Navy Regulations of 1920 indicate the existence of a tiny finance section within this department. With the reaction and revulsion against war as an instrument of national policy and the consequent severe slashes in military expenditures, this embryonic establishment was adequate to satisfy the fiscal requirements, such as they were, which continued to repose within the sphere of the Quartermaster. The scope of the supply and logistics aspect of World War II and the magnitude of expenditures required to operate a tremendously expanded Marine Corps served to further entrench the Quartermaster as the financial mastermind of the Corps and he became, like the Commandant, a Presidential selection requiring the consent of the Senate for appointment.

Thus, as we approach the National Security Act amendments of 1949, the Quartermaster-General of the Marine Corps is the dominant figure in financial management which is conducted much in the same manner as it had been during the previous century.

Prior to 1949, there were no complete systems in the military services to insure that the tremendous amounts of the country's manpower and wealth were spent and utilized efficiently and wisely. There were

no legal requirements which required the establishment of a system which would guarantee proper utilization and protection of both men and money. The passage of legislation in 1949 was the first real attempt to provide for businesslike operations on an overall basis. The National Security Act Amendments of 1949 included Title IV which provides for the "Promotion of Economy and Efficiency Through Establishment of Uniform Budgetary and Fiscal Procedures and Organizations." This act established the role of Comptroller of the Department of Defense.

The comptrollership concept established by Title IV began an organizational revolution in the Armed Forces. A new type of thinking in military circles was required as the Comptroller moved from the accounting offices of business into the Pentagon in the newly-created role of financial director of the Defense Department's budget. Under Title IV, the Comptroller of the Department of Defense was given the responsibility for the preparation of the budget estimates of the Department of Defense and for establishing and supervising the execution of principles, policies and procedures to be followed in connection with organizational and administrative matters relating to the preparation and execution of budgets.¹

¹Title IV of the National Security Act of 1947, as amended by P. L. 216, 81st Congress, August 10, 1949.

Title IV further specified that there should be a Comptroller in each of the three military departments with duties and responsibilities similar to those of the Comptroller of the Department of Defense. The office of the Comptroller of the Navy was established by the Secretary of the Navy on June 1, 1950, to carry out the comptrollership concept as required. The establishment of comptrollers below the Department of Navy was not realized until the Secretary of the Navy issued his policy relative to establishment of comptrollers within the Navy Department and lower echelons. This policy letter was issued November 18, 1953, or more than three years after the Comptroller of the Navy became a reality. This policy letter was permissive rather than mandatory in nature, stating that:

It is the policy of the Secretary of the Navy to establish comptroller organizations in all bureaus and offices, Navy Department, Headquarters, Marine Corps and major activities of the Navy and Corps. It is desired that the program of establishment currently in progress be accelerated as rapidly as may be practicable.

The Chiefs of Bureaus and Offices, Navy Department, the Commandant of the Marine Corps, and appropriate administrative commanders may within their discretion direct the establishment of a comptroller organization for an activity under their command or management control, or authorize the commanding officer to establish a comptroller organization on his own initiative For the purpose of this instruction, field activities include major administrative fleet and Marine Corps commands.²

²U. S. Department of Navy, Secretary of the Navy Instruction 5400.4, November 18, 1953, p. 1.

Prior to the Secretary of Navy's instruction, the Marine Corps, having realized the importance and the magnitude of the problem of implementing Title IV, started laying the groundwork for the requisite changes. The adopting by Marine Corps of the new performance-type budget structure was made in fiscal year 1950, at which time it was under the full control of the Quartermaster General and the Supply Department had been making many changes relative to the requirements of Title IV. The first major breakthrough was the establishment of the Corps' stock fund for the control of common use items. In 1953, the Fiscal Division became the representative of the Commandant of the Marine Corps in money matters and at this time was divorced from the Supply Department. It was also in 1953 that the Marine Corps' first Fiscal Director, then Brigadier General David M. Shoup, was given the responsibility of establishing a uniform system of budgeting, accounting, fiscal procedures and organization for the Commandant. This requirement introduced many new problems and a tremendous challenge for the Marine Corps.

A new accounting system was required along with the establishment of a stock fund. The lack of a stock fund and the system of financial management utilized in the Marine Corps at that time did not facilitate the changeover to the performance-type budget. The Marine Corps had to make major revisions and restyle the entire system in order to meet the requirements of performance budgeting. People who

were working with General Shoup at this time state that they heard him say many times, "We took the whole needle all at once--stock fund, industrial fund, allotment accounting--the whole business. This was a strain and it had to be done in a short time." However, the Marine Corps met the challenge and began operating under the new system even though there were few people in the Marine Corps who had the foggiest notion of the vocabulary connected with this tremendous undertaking. Progress was being made and the Marine Corps has been complimented more than once for the improvements being implemented. One comment which gives some indication of the Corps' progress is taken from the Committee of Armed Services Preparedness Subcommittee Report and reads as follows:

We should like to commend the Marine Corps for its remarkable success in establishing the Corps stock fund for the control of common-use items in the space of a few short months. Their dynamic, forceful work should be regarded as a standard for the other services to attain.³

Along with the many other modifications that were being made, the Commandant of the Marine Corps requested and was granted authority to implement the provisions of SECNAV instructions in a gradual manner until such time as his personnel became more thoroughly indoctrinated with the comptrollership concept. It was estimated that this period would take about three years.

³U. S. Senate, Interim Report of the Preparedness Subcommittee No. 3 of the Committee on Armed Services, 83rd Congress, 1st Session.

To be certain that the system would work, a study was started in Headquarters Marine Corps--a joint venture between the Supply Department and the Fiscal Division-- to examine, among other things, centralized accounting. As the study progressed it became evident that the centralized accounting idea could best be implemented in conjunction with establishing comptroller organizations.

As a result of this joint study the comptrollership concept was established in organizations below Headquarters, Marine Corps. The Commandant caused to be issued Marine Corps Order 5420.2, which authorized certain major command comptrollers and further gave certain guidance insofar as the mission and responsibilities of this new billet. Odd as it may seem, in the coordination of the directive with the interested staff sections at Headquarters Marine Corps, the only items of dissent were the name "comptroller" and his position on the organizational chart. This point is only mentioned to emphasize that with the operating requirements of today, the personnel at Headquarters connected with the responsibility of justifying money realized that the Marine Corps must have, in the areas where a considerable number of dollars or amount of equipment are used, adequate and active financial management to insure success in securing and properly accounting for funds. The Marine Corps must have someone whose primary duty is to become an expert in all the laws and rules pertaining to the use of appropriated money, accounting for it, analyzing its use, reporting thereon and, in addition, coordinating the budget requirements of the future.

In view of the importance of these functions it was originally recommended that the Comptroller become a part of the General Staff reporting directly to the Chief of Staff or Commander, as appropriate. The reasoning for this was that his responsibility is to coordinate this function of command for the Commander and, in order to do so, he must have the stature, the rank and position equal to the general staff to accomplish this vital role.

The comptrollership functions, as originally established by Headquarters, Marine Corps, were assigned to those commands wherein all phases of financial management are performed on such a scale as to make direct supervision by the commanders impractical, or whereas, in the case of the two Fleet Marine Force commands, budgeting, allotment accounting, progress review and analysis are so complicated by sub-allotments as to make supervision by a staff officer necessary.⁴

The actual function of the Comptroller as established by Headquarters, Marine Corps involves an integrated system for financial management. The Comptroller must provide guidance and direction to the conduct of specific fact-collection systems in the area of budget formulation and execution, program analysis, accounting, progress reports and statistics. The fully-coordinated staff service provided by the Comptroller should relieve the Commanding Officer of detailed

⁴Headquarters, United States Marine Corps. Making Corps Commanders and Their Fiscal Responsibilities, NAVMC 1093-FD, May 27, 1954.

fact collection, coordination and analysis. An effective Comptroller will enable the Commanding Officer to spend more of his time in the areas of policy formulation, planning and program direction. The whole program is designed to promote economy and efficiency in the performance of the prime mission and the major aspects are as follows:

Budgeting

The Comptroller provides guidance and instruction for the preparation of the budget; reviews resources, requirements and justifications for various programs; prepares estimates of the costs thereof and compiles the annual budget. In connection with the budget process, he recommends allocations of funds for approved programs including approved civilian personnel programs with the command and the revisions thereof, as required, analyzes variances from the budget plan; recommends remedial action where appropriate; determines areas where desirable financial reprogramming may be effected; initiates action to adjust financial plans to available funds and, when required, submits justifications for additional funds.

Accounting

At the field activity level the Comptroller supervises and coordinates the maintenance of required accounting records including records of obligations and expenditures against allotments and project orders; prepares accounting reports for local management and for

submission to higher authority; conducts cost accounting operations; maintains plant property records and financial records of inventory transactions of all classes of property except organic; and submits all property returns, supervises and conducts timekeeping operations, maintains civilian payroll; and, when authorized, pays public vouchers and military payroll, issues savings bonds, prepares and submits disbursing reports and returns.

Progress Reports and Statistics

In this area he develops guidelines and criteria for the collection and coordination of statistical data and prepares special statistics as required by the responsible level of command; serves as coordinator and official clearance center for the release of statistical data. Each organizational component will have distinctive requirements for periodic progress reports and for special statistical data on programs it administers. Statistical reports should be rendered in time and in a manner that will ensure optimum use by the command.

Program Analysis

The Comptroller measures and analyzes performance, program status and trend against approved programs, budget plans and schedules; and reports the results of operations to the responsible level of command. The integrated system for financial management provides for

the collection of data that will permit this kind of appraisal and detection of variance from the operating and budget plans so that the command can take appropriate action. This function of comptrollership is considered an extremely important staff service to the Commander who has the responsibility for decision. Analysis and comparison should be timely and presented with recommendations for action or decision so that funds may be used effectively and economically.

For the comptroller to properly carry out his assigned responsibility he must not be subjugated to any other staff officer. He must have direct access to the Commander or the Chief of Staff if he is to perform with efficiency. This in no way means that he has any more power or functions differently than other staff officers. It is his duty to keep before the Commander a constant financial picture.

The Comptroller function is designed to strengthen the Commander who has the line responsibility for effective and economical operations; a complete staff-service function of information analysis, potential problem areas and active recommendations for consideration. The recommendations are produced as a part of completed staff work and must always have the understanding approval of line authority before they can have any impact on the organization as a whole.

The requirement placed upon the Marine Corps to implement the comptrollership concept was a tremendous challenge which required long, hard hours of work to insure that all the changes would be effective

and produce satisfactory results. This task, while not complete, was well under control by the end of 1956. The Marine Corps Stock Fund became operative in 1954; the first performance-type budget was submitted for fiscal year 1955; and comptrollers had been established as authorized by the end of 1956.

Implementation of the comptrollership concept in the field was required of all major Marine Corps administrative commands. The organization of his staff was left up to the discretion of the Commander. Headquarters Marine Corps established certain guidelines. These were not mandatory other than it was required that, at those commands where there was authorization or a requirement for a Comptroller, the coordination and supervision of all accounting was to be centralized in that office. It is interesting to note, however, that the majority of all the comptroller organizations are organized similar to the initial guidance furnished by Headquarters, Marine Corps; and, generally, they include the functions as visualized by the guidance furnished to the field commanders.

The Commandant made it clear in his original order that it was not the intent that a corps of financial management specialists be established in the Marine Corps. Accordingly, the primary consideration in the selection of an officer for assignment as comptroller is that he have a broad military background of command and staff experience. This is considered a prerequisite because his functions require staff supervision and coordination of the broad area of financial management as it relates to or affects all functions of the command.

Even though it is the policy of the Marine Corps to assign officers with a broad military background to comptroller-fiscal billets, a requirement does exist for some technical training. To insure that the Marine Corps has officers with the technical qualifications required, the Commandant has established quotas for a limited number of selected officers to attend the phase of the Navy Postgraduate Program which is devoted to financial management.

Upon graduation from postgraduate training the officer is expected to serve his next tour of duty in a financial management billet. In addition, the Marine Corps Institute offers correspondence courses in certain aspects of financial management which are suitable for training in the technical duties of a fiscal officer, and Marine Corps Schools offer financial management indoctrination in the junior and senior courses. The Marine Corps Supply Schools also have included in the schedule a few hours of financial management training for those officers attending.

The regular officer's assignment pattern will usually include, within a normal cycle, attendance at one of the service schools aforementioned, which should at least expose personnel to financial management within the Marine Corps.

In summary, this chapter has been devoted to an overview from the passage of legislation in 1949, which established the comptrollership concept in the military services, the establishment

of comptrollership and problems encountered in the Marine Corps, and the Comptroller and his functions as visualized by those responsible for implementing this program. To contrast this picture with the comptrollership concept as it is operating today is somewhat simple. The functions as outlined above are incorporated in current directives to some degree depending upon the size and complexity of the commander's financial responsibilities. The volume and variety of the financial management functions performed may vary from a small staff where the duties incident to financial administration are performed on an additional duty basis to a major supply installation, base, or recruit depot, where staff specialists in all aspects of financial management are required. A staff officer designated as the Comptroller and having staff cognizance over those general staff duties pertaining to all financial management functions will be assigned only to those commands authorized in Marine Corps Order 5450.2A. These are major Marine Corps administrative commands. All phases of financial management in these commands are performed on such a scale as to make direct supervision by the commander impractical; also, budgeting, allotment accounting and progress review and analysis are so complicated by sub-allotments as to make supervision by a staff officer necessary. The commanders of field activities without authorized comptrollers will discharge their fiscal functions in the most efficient manner, assigning those functions to their staffs as they desire; however, in all

organizations the closest supervision over the entire fiscal function should be exercised by the Commander himself, not only in the interest of efficient financial administration, but for the purpose of training subordinate officers in this vital function.

The responsibilities which have been directed by Headquarters Marine Corps can be divided into two types--command responsibility and legal responsibility. Command responsibility is that type of financial responsibility paralleling the other responsibilities of a commander, giving him the responsibility for control and administration of funds allocated to perform the missions assigned the command. Legal responsibility is that responsibility not to over-commit, over-obligate, or over-expend appropriated funds placed by Section 3679, Revised Statutes, on a commander who is the recipient of an allotment or suballotment of appropriated funds.

Commanders to whom appropriated funds are allotted or sub-allotted to finance their operations have the following functions:

- a) to examine their mission and assigned tasks and determine the most economical means by which they may be accomplished.

- b) to prepare budget estimates setting forth fund requirements for accomplishing the mission and assigned tasks as required by the issuer of the allotment or suballotment.

- c) to submit these budget estimates, accompanied by detailed justifications, to the allotment or suballotment grantor.

- d) to prepare a financial plan for utilization of funds that is authorized in response to the budget request.

- e) to insure that funds are utilized in accordance with approved plans and directives of higher authority.
- f) to insure that funds authorized are not over-committed, over-obligated or over-expended.
- g) to maintain records reflecting the status and utilization of authorized funds and to account for these funds to either the Commandant or the grantor of the sub-allotment, as specified by current regulations and directives.
- h) to conduct a continuous review of their fiscal operations.⁵

Having established a rough, official profile of the comptroller/fiscal officer and his functions, we will now examine the results of the opinions as expressed by those who are either in or associated with financial management in the Marine Corps.

⁵Headquarters, United States Marine Corps. Marine Corps Commanders and Financial Management Manual. MCO P7300.9 AS-arc, July 21, 1961.

CHAPTER III

THE PRESENT - AN ANALYSIS OF THE INQUIRY

On November 7, 1961, some 325 questionnaires were placed in the mail to all major Marine Corps commands. A copy of the questionnaire may be found as Appendix B and a list of the commands as Appendix C. Commanders were requested to distribute the forms within their commands according to a schedule included in the cover-letter. This schedule provided, in general, for the questionnaires to be answered by the commanders themselves, by their principal staff officers, including comptrollers and fiscal officers, and by certain selected subordinate commanders and staffs.

The intent was to obtain sufficiently broad coverage so that two views of the Marine Corps' financial management effort might emerge. The first viewpoint sought was that of various commanders and staffs--a general view of the program by those only nominally engaged in the details (although it is recognized that the division of the two views may have been somewhat arbitrary, for certainly the Commander himself is directly involved and so are some of his

"nonfinancial" staff officers). The second viewpoint sought was that of those actively engaged in the details--the Comptrollers and fiscal officers. It was initially planned also to solicit the views of officers in the Fiscal Division at the Headquarters, Marine Corps, but after further reflection it was decided that to do so might dilute the attitudes and opinions obtained from the operating units. Since there was no provision in the questionnaire for identifying the response as to source in order to isolate those that might come from the Fiscal Division, and since the official directives can be assumed to reflect the prevailing view, only the two viewpoints previously described were sought.

It was hoped by such a division to provide some yardstick against which to measure differences of views, attitudes and opinions about financial management, although we had no preconceived notions that such differences would necessarily evolve. In any event, the questionnaire was constructed in three sections, the final one of which was to be answered only by officers who were at the time or had previously been Comptrollers or fiscal officers.

Section A, which was to be answered by all, attempted to establish some background information on the individual respondent. In particular, it was desired to know to what degree the individual may have been academically exposed to business administration or management in general, and military financial management in particular

(with an assessment as to effectiveness), and to establish his military assignment pattern during the past ten years.

Section B, which also was to be answered by all, related specifically to the fiscal field and attempted to measure: the degree of individual involvement in military financial management and of familiarity with basic directives, opinions as to the proper location of the Comptroller and fiscal officer in the staff organization, the importance of financial management to the Marine Corps--or lack thereof, attitudes toward official written guidance and, finally, opinions as to the need for education in the fundamentals of financial management.

Section C attempted to collect some measure of the status of the Comptroller or fiscal officer in his organization, both as he sees it through his own eyes and as evidenced by his relation to the Commander and the rest of the staff. This section also attempted to highlight the sources of concern, or problems areas, which confront the comptroller/fiscal officer in the routine performance of his duties.

Specific questions or related groups of questions and the tabulation of answers thereto will be dealt with in some detail in the pages which follow, but first it may be profitable to assess the overall response to the questionnaire. Of the 325, 191, or about 59%, were returned and they provide the basis for this evaluation. Roughly one out of four of the questionnaires were from officers who now are, or have in the past been, comptrollers or fiscal officers. As may be seen

from Table 1 below, a reasonable spread as to rank and maturity was obtained.

TABLE 1

DISTRIBUTION OF RESPONDENT BY RANK AND FISCAL ASSOCIATION

Rank	Group 1	Group 2	Total
	Commanders and their staffs (less comptrollers and fiscal officers)	Comptrollers and Fiscal Officers	
General Officer	6	--	6
Colonel	64*	6	70
Lieutenant Colonel	42	6	48
Major	22	10	32
Captain	11	16	27
Lieutenant/ Warrant Officer	1	7	8
Total	146	45	191

* Includes one Navy captain--a Public Works Officer

Tables 2 and 3 show further the distribution of Group 1 and Group 2 respondents by their broad specialization as to type of experience (ground, aviation and supply).

TABLE 2

DISTRIBUTION OF RESPONDENT BY GENERAL CATEGORIES OF MILITARY SPECIALTY

(Group 1. Nonfiscal Personnel)

Rank	Ground	Aviation	Supply	Total
General Officer	4	2		6
Colonel	39	16	9*	64
Lieutenant Colonel	19	12	11	42
Major	11	6	5	22
Captain	7		4	11
Lieutenant/ Warrant Officer	1			1
Total	81	36	29	146

*Includes one Navy captain.

TABLE 3

DISTRIBUTION OF RESPONDENT BY GENERAL CATEGORIES OF MILITARY SPECIALTY

(Group 2. Comptroller/fiscal Personnel)

Rank	Ground	Aviation	Supply	Total
Colonel	4		2	6
Lieutenant Colonel	3	1	2	6
Major	5	4	1	10
Captain	5		11	16
Lieutenant/ Warrant Officer		1	6	7
Total	17	6	22	45

It may be seen from the above that a good spread in the distribution by specialization of experience was obtained for Group 1, with a less desirable spread for Group 2. The company grade officers in Group 2 are heavily weighted in the supply field; however, the field grade officers appear to be reasonably well distributed.

As already noted, no attempt was made positively to identify the source of the completed questionnaires. Therefore, they cannot be correlated so as to determine the degree of response by commands which were requested to participate. However, we could not help but note from postmarks, internal routing stamps, adjutant time-receipt stamps, and, indeed, in some instances, names or signatures placed on the questionnaires themselves, and other clues, that the responses did, in fact, represent to some degree all the levels and types of commands from which information was sought. We feel, therefore, that we have achieved, both in terms of numerical return and cross-section of opinion, reasonably good results considering the nonofficial basis upon which the information was obtained.

Finally, before examining the questions and responses, a word about our interpretations. We suspect that any amateur pollsters, after having reviewed the varied responses to and interpretations of their questions, would wish in retrospect that they had left some out, reframed or rephrased others, or asked entirely different ones. Certainly this is the case here. A few of the responses simply--and unexpectedly--did not lend themselves to a straight tallying procedure,

but rather required some interpretation prior to tallying. We recognize that such an unscientific procedure tends to introduce bias. However, since this was the bed we made, we felt obliged to lie in it. Those questions which generated responses requiring these individual interpretations prior to tallying are so identified in the pages which follow.

Of the total number of 191 questionnaires returned and, consequently, utilized as a basis for this analysis, 146 responses, or 76% of the total, were completed by officers, 145 Marine Corps and 1 Navy, who have been categorized as "outsiders." As outsiders, these officers, in accordance with this project's definition, are not currently nor ever have been actively engaged in fiscal or financial management duties as a primary function. Thus, this group constitutes a source of data from which a general or unprofessional view of the subject can be constructed.

Initially, consideration was devoted to a determination of just who these outsiders or nonpractitioners are. In light of the varying degree of involvement in and responsibility for financial management which is a direct consequence of the billet occupied and the possible coloration which might be introduced because of assignment, it was deemed necessary to construct Table 4, A Distribution of Responses by Current Assignment; Command or Staff. The primary objective of this distribution was to insure the absence of any bias due to an abnormally large segment of responses emanating from a particular type of billet.

TABLE 4

DISTRIBUTION OF RESPONSE BY CURRENT ASSIGNMENT:

COMMAND OR STAFF (GROUP 1)

	Ground			Aviation			Supply			Totals		
	Cmd	XO	Staff	Cmd	XO	Staff	Cmd	XO	Staff	Cmd	XO	Staff
General Officer	4	--	--	2	--	--	--	--	--	6	--	--
Colonel	12	7	21	5	4	6	4	1	4	21	12	31
Lt Colonel	6	2	11	3	--	9	6	--	5	15	2	25
Major	1	1	9	2	1	3	1	--	4	4	2	16
Captain	1	--	6	--	--	--	--	--	4	1	--	10
Lt/WO	--	--	1	--	--	--	--	--	--	--	--	1
Total	24	10	48	12	5	18	11	1	17	47	16	83
												146

31

Based on question five of Section A in the questionnaire, which requested an entry concerning current assignment, the results enumerated in the table above generally indicate that the distribution of responses does not contain any distinguishable or significant malformations which might distort the remainder of this analysis. Of the total number of nonfiscal personnel filing responses, 32% are presently filling command billets while the remainder are assigned to positions which are normally classified as staff duty. This approximate two to one ratio is considered to reflect an extremely satisfactory distribution which roughly parallels the assignment pattern canvassed. The ratio is based on a grouping of chiefs of staff and executive officers as staff officers which in the normal course of events is the correct definition. However, for the purpose of this study, this group of staff coordinators has been isolated because of the tendency of this position to mirror the views of the commander. This segregation was accomplished in anticipation of possible utilization in the remainder of the analysis. A further observation of the command and staff distribution according to rank serves to reinforce the original conclusion that the response spread is a valid one. With the bulk of the questionnaires directed to Division Headquarters and above, with a canvass of only commanders of lower echelons, the result is a higher percentage of command assignments among the colonels and lieutenant colonels while the lower

ranking officers are preponderantly occupying staff billets. Therefore, the evidence is fairly conclusive that with regard to the current pattern of assignments of respondents and its possible effect upon their answers, the opinion sampled is well dispersed and should provide an accurate measurement.

A second facet of the background of the nonfiscal group which was estimated to possess the capability of influencing answers to questions concerning financial management and, therefore, required preliminary examination, was length of service. As indicated earlier in this paper,⁶ financial management as a methodic and basic technique is a relatively recent innovation in the Marine Corps. Therefore, the decision was made that it might prove beneficial in the analysis of other questions to reconstruct the responses on the basis of whether they had experienced or were acquainted with the fiscal situation prior to the active application of the concepts fostered by the National Security Act Amendments of 1949. Simply stated, this was an effort to determine whether an "old Corps" horse and buggy fiscal environment had cultivated attitudes and opinions, in personnel on active duty prior to 1950, which might be manifested in vestiges of resistance to the modernization of financial management. Arbitrarily, a division of eleven or more years of service to embrace 1950, versus less than eleven was imposed in order to distinguish between the old and "new breed" of Marine. However, in this instance, the quest proved to be

⁶Supra, p. 12.

futile. With very few exceptions, all of the responses were from personnel who were serving on active duty prior to the promulgation of the "new order" in financial management and as subsequent analysis will reveal, the traces of resistance to the new emphasis, if extant, are of such a negligible nature as to be virtually undiscernible.

Consistent with the theme, which prompted the foregoing separation, that man is the product of his environment and because of the heavier responsibilities devolving upon commanders in the financial management area, a distribution of responses was formulated according to the primary general area of military experience during the past ten years--command or staff assignments. The period of ten years was selected in order to coincide with the transition in the Marine Corps from the nonexistence of any real formal system of financial management to the relatively complex and technical procedures which are currently being practiced. Again, in this instance, the arbitrary figure of 30% was established as the standard for classification. If an officer indicated in question 7 of Section A that he had occupied command billets more than 30% of the last ten years, he was labeled as possessing a command background. Conversely, a total of command service constituting less than 30% resulted in the officer being tallied as primarily a staff man. Such a division is approximately compatible with Marine Corps assignment patterns. The results of this tabulation are contained in Table 5, below.

The results of the effort to establish the military experience of the nonfiscal respondents, shown in Table 5, reveal no unusual trends or strains which might inject an element of maldistribution or bias in later questions. Approximately 37% of the officers have command backgrounds while the remainder have devoted the majority of their time to staff assignments. Naturally, the percentage of command oriented officers in the area of supply is significantly smaller because of the limited number of command billets available to this type of officer. The most evident conclusion arising from this tabulation is that the response sample is almost a model in its proportions.

Now that current commanders and those officers whose careers in the past ten years were essentially command dominated had been segregated, in view of the closer association with financial management that a commander experiences, a more detailed analysis of the staff assignments of the respondents was conducted. The objective of this study was to isolate those individuals who had garnered more than half of their staff experience from positions nominally within the supply/logistic field. The rationale behind this particular inquiry was a conviction that personnel occupying supply/logistics billets are more intimately linked with financial management than those of other staff officers and this connection could well contribute to the formation of attitudes and opinions. For analytic purposes, if an officer indicated that more than 50% of his staff experience resulted from assignments in supply/logistics billets he was considered to possess a background in this particular field. Table 6 contains the results of this division.

There are two rather apparent and glaring inconsistencies in the totals of Table 6 which require some explanation to prevent misinterpretation. The first is the almost total lack of aviation officers with a supply/logistics orientation. Although the pattern of approximately 23% exhibited by the ground officers is considered normal, the great divergence among the aviators is attributable to the fact that supply and logistics billets in the air elements of the Marine Corps are normally complemented by ground officers. This is probably an effort to restrict the number of pilots burdened with nonflying responsibilities. Of course, the second item which might draw the attention of the uninitiated is the size of the total of officers with a supply/logistics background in the supply column. If an officer was originally classified as supply it was because he had a military occupational specialty designation in this field and consequently it is not unusual that 91% of these officers devote the majority of their time to the specialized fields of supply and logistics. In conclusion, this tabulation also coincides in every respect with the norm or average.

Thus far, the emphasis of the analytic effort has been directed toward the establishment of the basic military career pattern of the nonfiscal personnel responding to the questionnaire. At this point, the next two questions, 8 and 9 in Section A, introduced a second major stream of formative influence--military academic experience. These two related questions constitute an endeavor to determine, at least in general terms, the degree of exposure to instruction in financial

management which the nonfiscal respondents might have experienced during attendance at military operated formal schools and, if possible, further to evaluate the effectiveness of such instruction. The intention was to correlate the answers to question 9 with a listing of schools attended requested in the previous question in order broadly to indicate the major sources of reported effective instruction, particularly in the case of courses conducted by the Marine Corps Schools at Quantico, Virginia. For the analysis of this particular sequence of questions, the responses of both fiscal and nonfiscal personnel were combined because of the almost universal similarity in educational experience and the particularly important nature of this series of questions.

Of a total of 191 questionnaires submitted, almost 50%, or 94 responses, indicated that some form of instruction in military financial management or a related field had been received while under instruction in a formal military course of study. However, further investigation revealed that only 37 respondents, or 39% of the total receiving such instruction, considered it effective or even adequate. An indication of effectiveness in most of these responses was further supported by a brief description of the extent and content of the instruction as justification. Thirty-five of the 37 affirmative answers regarding effective financial management instruction were submitted by individuals who had attended schools which were considered to be supply or management type courses of instruction and included institutions such

as the Industrial College of the Armed Forces, the Army Management School, the Navy Management Course at Monterey, the Marine Corps Supply School, and the Comptroller Development Course. Conversely, only two of 92 of the officers who had attended only Junior or Senior Course, or both, at Marine Corps Schools, Quantico, indicated that they considered the instruction received in these courses effective to any appreciable degree.

Slightly shifting the focus of attention, questions 10 through 13 of Section A inquired into other aspects of the educational background of the nonfiscal respondents. In the field of correspondence study only 29% of the replies indicated participation in military sponsored courses related to the field of financial management and a substantial portion of this total is attributable to a mandatory requirement which was prevalent a decade ago for Marine officers to engage in a study of Post Exchange Accounting.

Although the following two questions concerning years of formal education extracted the results that 78% of the 146 nonfiscal officers completed sixteen or more years of formal education and possessed a college degree, only 39% of the degreed personnel labored in a field of academic endeavor which was in, or could be related to, that of Business Administration. Finally, to conclude Section A of the questionnaire, 16% of the nonfiscal respondents have engaged in business education efforts not encompassed by any of the previous three questions

such as limited graduate training or off-duty education.

Thus far, the tabulations provided by the data contained in Section A of the questionnaire have facilitated the establishment of the adequacy of the distribution of responses and have contributed in some measure to the formulation of a broad bold outline of the characteristics of the respondents in the areas of current assignment, length of service, military experience, and educational background, both military and civilian. In addition, this first section supplied some rather pointed results in the sensitive area of effective military sponsored financial management instruction. The analysis is now properly positioned for an examination of the attitudes of nonfiscal personnel toward financial management in general, as well as selected aspects of the same subject.

As an opening wedge, question 2 of Section B was utilized to establish a foundation to evaluate the validity of the remaining questions by measuring the degree of participation that the surveyed nonfiscal personnel had experienced in the formulation of budgets and/or the administration of allotments. This inquiry was conveniently subdivided into two phases; one, a tabulation of total extensive involvement regardless of intensity, and two, the isolation of that group who had engaged in this activity in an intimate manner. The preliminary investigation regarding the extent of participation yielded relatively startling results. Of 146 replies, 117 individuals, or

approximately 80% of the personnel polled, signified that they have been, at least at one point in time, involved, either generally or in a more specific manner, in the preparation or execution of a budget. Such an overwhelming degree of participation would certainly tend to depict financial management as a rather all-embracing function, but more definite conclusions will be reserved for the final portion of this paper.

Participation in the budgetary procedure and administration to an intense degree or in a specific way was acknowledged by 73 respondents, or 50% of the total reporting. A more detailed analysis showed that 55% of the ground officers, 48% of the aviation personnel and 92% of the supply officers had heavily engaged in some form of financial management operations. While it is understandable why supply personnel would be so intensively involved since supply management is the normal responsibility of these officers, the extent to which the others have become enmeshed is a further indication of the expanding importance of financial management in the Marine Corps. However, it should be noted that the wording of this question required a certain amount of interpretation in order properly to categorize the responses into the general or specific participation classification. If a positive reply was supported by a brief description which indicated experience with more than the mere formalities of budgeting and allotment administration, the individual was adjudged to have participated intensively. Furthermore, a careful sifting of replies failed to uncover any significant relationship

between the answer to this question and any of the analyses accomplished in Section A with regard to current assignment or experience.

The next two questions, 3 and 4 of Section B, were designed to indicate the degree of familiarity the respondents have with both the paragraphs in the Marine Corps staff manual which defines the duties of the comptroller/fiscal officer, and the most recent Marine Corps order which outlines current policy with regard to the practice of financial management. Obviously, a lack of familiarity to a great extent would serve to qualify the validity of certain other answers in this section. These questions contained an element of faith, in that it was impossible to determine whether the responses were spontaneous or whether the directives in question were read after the receipt of the questionnaire. Accepting the results at face value, 116 responses of 146, or 80%, indicated prior knowledge of the applicable portions of the staff manual while only 95 individuals, or 65%, admitted familiarity with the current Marine Corps order dealing with financial management. This latter deficiency can be partially attributed to the relatively recent origin of this order and the possibility that it has not been circulated to all of the respondents which, in fact, was the reason expressed in several replies. Generally, the indicated extent of knowledge of basic directives is considered to be basically adequate to validate responses to the questions requiring a certain degree of familiarity with current policy. Again, there was no discernible connection between the replies to this question and the results from any previous tabulation.

Now that the knowledge of official directives had been measured, question 5 of Section B which was directed toward extorting any unusual concepts regarding the fiscal function was examined for viewpoints widely divergent from the views expressed in the official publications. Because of the peculiar wording of this question, the replies were subject to interpretation and judgment in order effectively to classify them. The standard of classification which was adopted was a mutually exclusive division into conventional and nonconventional opinions regarding the duties of the comptroller/fiscal officer. Conventional attitudes were those which contained an essential similarity to the official definition outlined in the Marine Corps staff manual and which reads as follows:

Plans, coordinates and supervises matters pertaining to the broad areas of financial management to include appropriated and non appropriated fund activities. His purview includes planning for, and coordination and supervision of, the following:

a. Budgeting. -- Guidance and instructions for budget matters; review of the resource requirements and justifications of the various programs of the command; compilation of the annual budget; recommending allocation of funds available for approved operating programs (including pay of civilian personnel), and revisions thereof when required; preparation of appropriate budget directives and instructions; initiation of action for financial adjustments made available; and improvement of financial efficiency.

b. Accounting. -- Maintenance of required records, including records of obligations and expenditures against allotments and project orders; maintenance of records for the plant property account and for financial transactions of leave and retirement; preparation of accounting reports; supervision of cost accounting operations; submission of property returns; supervision of time-keeping operations; and preparation of civilian payrolls.

c. Disbursing. -- Payment of civilian payrolls; payment of public vouchers and military payrolls; issuance of savings bonds; and preparation of disbursing reports and returns.

d. Progress and Statistics. -- Develop guides and criteria for the collection and coordination of statistical data; supervise the preparation of special statistics.⁷

Nonconventional views were those which departed from this statement to any significant degree.

Of a total of 146 responses, 125 replies, or 85%, adhered to the conventional definition while only 8 individuals submitted dissenting opinions which demand nonconventional classification. The remainder of the questionnaires did not provide any response to this inquiry.

Conventional expressions of the fiscal function echoed the official view with phrases such as, "to plan, coordinate and supervise budgeting and accounting"; "to maintain statistics"; "to plan, budget and control expenditures"; "to exercise staff supervision of financial administration and to act as an advisor to the commanding officer in financial management." Unorthodox descriptions were usually too restrictive in nature and referred to the comptroller/fiscal officer as the command's "bank clerk" or "bookkeeper." Generally, the results indicate overwhelming acceptance of, at least, the official Marine Corps concept of the comptroller/fiscal officer and his function. Almost all responses failed to distinguish between the duties of the comptroller and fiscal officer. This situation, although somewhat cultivated by the

⁷Headquarters, United States Marine Corps. Staff Manual-1955. NAVMD-1110-AO3F, August 10, 1955.

general tone of the question, may also indicate a larger scope of activity being assumed by the fiscal officer than outlined in official directives. He is possibly being utilized, in effect, as a psuedo-coordinator at command echelons where a comptroller's billet is not authorized, thus indicating the growing importance which commanders are attaching to financial management.

With this establishment of the general attitude of nonfiscal personnel toward fiscal practitioners and their function, the next stage was to investigate where such duties might tend to position these financial managers in the organizational structure.

It was determined through our study that during staffing of the order which established the comptrollership concept in the Marine Corps, feelings were divided as to the comptroller/fiscal officer's proper location on the organizational chart. It was concluded that by posing a related question some concrete reasons for this conflict and/or a determination of its resolution might be supplied by operating forces and it might be possible firmly to establish his position. The results received were somewhat disappointing, probably because the wording of the question was ambiguous. However, we did ask why they chose their answers and this gave us some information for analysis. Table 7, below, is a detailed breakdown by rank, and is further subdivided into three categories of officers--ground, aviation and supply.

TABLE 7
 DISTRIBUTION OF RESPONSE BY PREFERENCE OF COMPTROLLER/FISCAL
 OFFICER ORGANIZATIONAL LOCATION; GENERAL OR SPECIAL STAFF
 (Group 1)

	Ground		Aviation		Supply		Total	
	General	Special	General	Special	General	Special	General	Special
Generals	2	2	1	1			3	3
Colonels	26	13	7	8	5	4	38	25
Lt Colonels	7	12	1	11	4	7	12	30
Majors	7	3	4	2	3	2	14	7
Captains	1	5			4		5	5
Lt/WO		1						1
Subtotal	43	36	13	22	16	13	72	71
No Opinion	3							
Total								146

It is interesting to note that today feelings are equally divided; 49% would place the comptroller/fiscal officer on the general staff, 49% on the special staff, while the remaining 2% had no opinion. The reason for assigning the financial manager to the general staff was almost universally similar in that it was argued that in order to have the comptroller/fiscal officer perform his functions properly, he should have the stature, rank and position equal to other officers on the general staff, thus reporting directly to the Chief of Staff or Commander. The reason for placing him on the special staff varied considerably. In fact, the variance was such that it was impossible to correlate the data.

There were a few officers in each group who answered the question by separating the comptroller from the fiscal officer. The tendency in this case was to assign the comptroller as a general staff member and the fiscal officer as a special staff member. In retrospect, our question would undoubtedly have produced more fruitful results if we had drawn a distinction between the comptroller and fiscal officer.

The reason for asking question B-7 was to determine the adequacy of the current assignment policy. The answers were to be related to the current Table of Organization and, if the opinions voiced were decisive enough, recommendations for revisions in billet authorizations could be formulated.

It appears that current Marine Corps Tables of Organization, where the division/aircraft wing is the lowest level authorized fiscal officers is adequate. Table 8 gives a distribution and percentage of responses to this question indicating that 55% feel the current policy is adequate.

Of those who said the comptroller/fiscal officer should be assigned at a lower echelon many indicated that this positioning should be at the lowest suballotment level. In the case of a Marine Division, Division Headquarters is the lowest allotment level. However, there are separate organizations smaller than a division which receive suballotments, such as the 1st Marine Brigade, and such units normally have authorized fiscal officers. In Marine aviation units, the suballotment holder is the aircraft wing; however, certain Marine aircraft groups and squadrons have suballotments for certain types of Navy funds. Superficially this would indicate that a fiscal officer should be authorized below the aircraft wing level, but further examination of the responses from aviation personnel reveals that the majority recommended no lower than the aircraft wing.

It might be apropos at this time to point out the fact that current financial management instructions for Marine Corps commanders stress that, if the volume and variety of the financial management functions require the assignment of a fiscal officer to perform these duties, the commander can organize his staff at his own discretion to

TABLE 8

DISTRIBUTION OF RESPONSE BY OPINION ON COMMAND ECHELON REQUIRING A COMPTROLLER/
FISCAL OFFICER; DIVISION/WING OR HIGHER AND SUBORDINATE COMMANDS (GROUP 1)

[illegible]

discharge these fiscal functions. In practice this assignment is usually performed on an additional duty basis in those instances wherein the organization is below the suballottee level.

The purpose behind question 8 of Section B which asked for opinions on the importance of financial management was to determine if people working in the field attach the same degree of importance to the subject as personnel at Headquarters Marine Corps level or higher. There was little doubt about the level of popular appreciation for managing the dollar properly. The majority responded with statements to the effect that the importance is ever increasing as the dollar gets tighter and tighter.

Apparently business is not the only one concerned about the profit squeeze. Personnel in the field spending Marine Corps dollars are concerned about this also; that is, getting the most for the Marine Corps' "buck." Of course there are always extremists in any organization and this question produced a few dissenters. A total of 146 responses produced 6 dissenters and 5 with no opinion, or less than 8% who did not attach importance to financial management in the Marine Corps. Some of the reasons for questioning the importance are:

- 1) financial management restricts the commander;
- 2) questionable economy--it takes too much money and too many men to practice financial management and it complicates the primary mission.

3) the present system utilized in the Marine Corps is faulty and does not present a true financial picture;

4) the cost exceeds the returns realized.

Table 9 contains the results obtained from the question, "Based on your personal knowledge and experience, do you feel that the official written material provided for the purpose of guidance in fiscal matters is adequate?" Opinions varied from one extreme to the other; 53% or 77 respondents, indicated that the written material was adequate, 16% had no opinion and 31% desired improvement. The personnel who had no opinion either did not answer the question or stated they were not qualified to answer because they have had no occasion to use the material.

Answers submitted by the group which stated the material was inadequate were analyzed carefully to determine the reason such a large number were dissatisfied. Although it is difficult to establish any one reason, many of the dissenters felt that the material is too complicated for field use. It is written, not with the user in mind, but for the experts or specialists and is too lengthy and technical in nature. It was pointed out that the personnel who use this material, while not always college-educated, are people with reasonable intelligence who need more training to understand and interpret the fiscal jargon contained in written material. Some feel it is written in technical fiscal style and just does not get the message across to the people who are responsible for complying.

It was also noted that, while it is not the intent of the commandant to establish a corps of financial management specialists, it takes a formal education in this field to understand the written material.

While it has always been a problem to publish written instructions adequate for field use, this area seems to be particularly weak and it would probably be advisable to make a survey and reevaluate the published directives. A few comments were made which merit consideration; namely, to consolidate the data in one comprehensive publication containing common understandable language free from fiscal jargon.

It was decided during the drafting stage of the questionnaire that it would be extremely helpful if we could make a determination as to the type of financial management references required for the performance of duties of personnel in the field, both fiscal and nonfiscal. It was realized that the comptroller/fiscal people would have occasion to use the reference material much more frequently than personnel in nonfiscal billets. However, with the ever increasing importance of financial management and the large numbers of personnel who are involved to some degree in fiscal work it was felt that the majority of officers would have some occasion to refer to financial management references.

The results obtained from this question were somewhat disappointing and were not sufficiently precise to support any definite

conclusions. Therefore, we attempted to evaluate the answers received by interpretation.

Table 10 contains a breakdown of the answers received by a simple tally of "yes" if the officer has had an occasion to use one or more of the financial management publications of the Navy, Marine Corps or the command concerned. These publications include documents such as the Navy Comptroller Manual, Marine Corps Commanders and Financial Management Manual, or internal financial management standing operating procedures published by the command. Even with considerable latitude as to what constituted an affirmative answer, 45, or 31%, indicated they have had no occasion to use financial management references. It was anticipated that the answers to this question would correlate at least generally with the number of officers involved or participating in some phase of financial management. Since 117, or 80%, participated to some degree it would appear reasonable that this group would have had some occasion to refer to financial management publications. We were able to establish that supply personnel have more occasion to use these references; this is inevitable in view of the nature of their business and their close association with fiscal matters. Aviation personnel on the other hand have much less occasion to refer to the reference material and this is expected because the majority of their supply and service billets are filled by ground officers.

It is quite obvious that there is a need to formally educate Marine officers in the fundamentals of financial management. One hundred and fifteen of the total, or 79%, indicated there is a need, while 11% stated there is no requirement; 14, or 10%, had no opinion. The majority of this last group indicated they are not familiar with the requirement and left the question blank. Some of the reasons given for not conducting formal education are as follows: "There is no place for financial management specialists in the Marine Corps;" "the present system of financial management is adequate without specialists;" and, "the Marine Corps cannot effectively utilize the training received by these officers." It was gratifying to note that the majority of our Marine Corps officers recognize the importance of financial management, particularly in this day and age when the commander is being pressured for greater efficiency with fewer dollars.

The larger group listed in Table 11, which sees the need for formal education in the fundamentals of financial management, seems to agree that the requirement exists primarily because more and more emphasis is being placed on sound financial management practices. They agree that the present day complexities of supply and logistics make it mandatory that we have highly trained financial managers to insure effective utilization of our dollars. While it is not the intent to have a corps of financial management specialists, there is the continuing requirement to have a few specialists filling those billets requiring a technical knowledge of financial management.

The next question solicited recommended methods by which to educate more personnel in financial management procedures. It proved impossible to correlate the percentage answering "yes" in Table 11 to the totals shown in Table 12, since certain personnel who answered question B-11 did not answer B-12. However, to evaluate the results received, the questions were tallied by checking either formal education, training or both. Formal education in financial management was considered to mean attendance at a civilian institution of higher learning such as The George Washington University. Training was considered to mean in-service instruction such as Junior School, Senior School and Supply School.

It is interesting to note that the ground personnel favor training over formal education about 2 to 1, aviation personnel about 1.5 to 1, while supply personnel are about evenly divided. Table 12 contains a breakdown by rank and is further subdivided by ground, aviation and supply.

The method recommended for formal education was through schooling such as the Navy Financial Management Program conducted by The George Washington University; however, there are a variety of ways in-service training can be utilized which will be discussed in Chapter IV. Having examined the views of the outsiders which provide a comparative scale against which to project the attitudes of the performing practitioners, we will now proceed to an analysis of the responses of comptroller/fiscal personnel to the questionnaires.

TABLE 12
DISTRIBUTION OF RESPONSE BY SUGGESTED METHODS OF PROVIDING EDUCATION
(GROUP 1)

	Ground			Air			Supply			Total		No Opin
	Ed	Trng	Both	Ed	Trng	Both	Ed	Trng	Both	Ed	Trng	
General	2	2		2						4		12
Colonel	3	26	2	4	11		3	5	1	10	42	5
Lt Col	10	9		7	5		7	4		24	18	16
Major	4	6		2	4		3	2		9	12	1
Captain	1	5					1	2		2	7	2
Lt/VO		1									1	
Total	20	49	2	15	20	2	14	13	1	49	87	15

As previously stated, about one-fourth of those who responded to the questionnaires were officers who now are, or have been, direct participants in financial management because of their assignments. Where it seemed appropriate, some of the results of the tabulation of these responses were included in the development of material already discussed. The remainder of this section of the paper will deal with those aspects of their responses not previously covered.

First, it might be useful to find out more about who these officers are. Tables 1 and 3 provide the distribution of rank and specialization of experience.⁸ In order to develop a fuller background on this group, Table 13 shows their distribution as to comptroller billets, fiscal officer billets and other related billets (which would include such titles as budget officer, management engineer, deputy comptroller, accounting officer, and so on). Some of the captains and lieutenants perform in both of the last two of the three major categories, in which cases they have been shown as fiscal officers.

In addition, practically all of the field grade officers and two-thirds of the company grade officers serve on one or more boards, committees or planning groups within their commands which have a tie to their financial responsibilities.

⁸Supra, pp. 27-28.

TABLE 13

DISTRIBUTION OF RESPONDENTS BY BILLET TITLE (GROUP 2)

Rank	Comptroller	Fiscal Officer	Others Related	Total
Colonel	4	--	2	6
Lt Colonel	4	--	2	6
Major	2	7	1	10
Captain	--	11	5	16
Lt/WO	--	7	--	7
Total	10	25	10	45

As to experience, all of the twenty-two field grade officers and two of the captains have eleven or more years active commissioned service and, hence, have witnessed the transition to the present financial management concept (though they were not necessarily directly involved). Had the cutting figure been placed at ten years an additional ten captains would have been included.

Eight of the 22 field grade officers, or 36%, have spent more than one-third of their assignments during the past ten years in command billets, reflecting a favorable breadth of experience in that group. However, only two captains of the 23 remaining officers have had a comparable degree of command assignments. This is no doubt a reflection

of the fact previously noted that the company grade officers have, by and large, come from the supply field where the opportunities for command billets are somewhat restricted.

As to the type of staff background of these officers, contrary to what might be expected, only 7 of the 22 field grade officers, or 32%, have been predominantly in supply/logistics/fiscal type staff assignments during the past ten years. (This percentage coincides almost precisely with the overall experience of the nonpractitioners.) In fact, it is of some interest to note that 11, or exactly half, have had predominantly operations type staff experience.

Whereas the field grade financial managers are drawing heavily for input from operations oriented officers, the trend is decidedly different among the company grade officers. Here, 17 of the 23, or 74%, have had predominantly supply/logistics/fiscal type staff orientation during the past ten years--a point already well established.

Evaluation of the percentage of time spent by this group as a whole in fiscal type billets indicates that these officers are being given varied assignments. For the most part these officers have had but a single tour in a fiscal billet during the past ten years, though two have spent seven of the ten years in various fiscal billets. In any event, there is little evidence of the creation of a corps of comptrollers in contravention of the commandant's policy.

General education and training data for this group were included in the totals previously discussed, but attention might well be drawn to certain aspects which relate only to this group. For instance, two-thirds of the group are college graduates, with three-fourths of the degrees in business, finance or related fields. All but 6 of the 23 officers without that type of degree have taken some work in the field--college classes, correspondence courses or some type of management or business course offered within the Armed Services.

The foregoing, then, gives some picture of the respondents who are engaged in financial management activities. Perhaps the most striking feature developed thus far is that in background, at least, there is a noticeable difference between the field and company grade officers.

Certain of the questions raised in Section B of the questionnaire drew obvious responses from this group in distinction to the non-practitioners. For instance, this group all have contributed to or participated directly in the formulation of budgets or administered allotments, are familiar with and use the basic directives, have a rather conventional and contemporary view of the duties of the fiscal officer and the comptroller, and are significantly impressed with the importance of these functions (though it might be mentioned that 20% had not yet caught up with Marine Corps Order P7300.9 of 21 July, 1961--or else it had not caught up with them!). The answer to other questions in this section of the questionnaire, however, provide some food for thought

and, therefore, deserve some mention in more detail.

The difficulties in interpreting the responses to the question as to whether the comptroller belongs on the general staff or on the special staff have already been mentioned. While a well-defined viewpoint did not emerge from the nonpractitioners, a significantly sharper trend is noticeable among the financial managers. Roughly three-quarters of these officers--with some qualifications--seem to feel that the comptroller should have general staff status. Nine-tenths of the comptrollers think so. The most common rationale to support this answer is that his responsibilities cut across all staff lines and that, these days, everything is tied to the dollar. The most common qualification is that it is generally more important for him to have such status in non-Fleet Marine Force than in Fleet Marine Force commands.

Of the 43 officers who ventured an opinion as to the level of the FMF command which requires a fiscal officer, 58% are satisfied with the current practice of assignment at division-wing level, though many added "or independently operating unit," or words to that effect. The remaining 42% consider a lower level of command (regiment-Marine aircraft group) as more appropriate. While this, perhaps, is not a strong mandate in either direction, the fact that 42% of the practitioners feel that the present policy of assignment of fiscal officers should be extended down to the regiment-group level is believed to have some significance.

There is considerable criticism of the official written material provided for the purpose of guidance in fiscal matters. One-third of the

officers classify the material, outright, as inadequate. The higher the rank (and, therefore, the higher the billet level), the more frequent is this response. Even those who answer "yes" to the adequacy, frequently qualify this response so that less than half of the total give an unqualified "yes" answer. Again, by far, the bulk of the qualifications are expressed by the more senior officers.

There is a variety of reasons given to explain the deficiencies in the guidance, but most of the responses might have been placed in a category such as "too voluminous, complex and difficult to correlate," had such a choice been available. One officer offers the information that he has been reading steadily for a year and one-half, but hasn't been able to digest the applicable directives, and another confides that, though he is being diligent, it seems hopeless that he will ever digest them all. A corss-referencing index of all source material indicating which of conflicting directives takes precedence is suggested by one officer, while another officer suggests a complete managerial study of the directives "by an outside agency" as a possible solution. The need for more specific information on cost and plant accounting is also cited as an inadequacy. One or two indicate that the directives are "better than they used to be." Whatever the tack the philosophizing took, it seems clear that here is a problem area that is of genuine concern to the financial managers as it was to the nonpractitioners.

Finally, as to the need for further education and/or training in financial management, there is some support, 41%, for formal educational

programs, such as conducted by The George Washington University, and overwhelming support, 93%, for in-service training. The need for formal university education is seen most clearly by the lieutenant colonels and colonels, 67% of whom endorsed such a program, but only in conjunction with training programs. We would have guessed that the financial managers would have shown greater support for formal education, but such is not the case. Several urge the establishment within the Marine Corps of a management school similar to the Army Management School at Fort Belvoir, Virginia.

From the final section of the questionnaire, addressed only to the financial managers, it was hoped to elicit some information as to their status and their problems. To a degree, this was achieved. First, let's consider the "status" questions.

One of the questions asked point blank if there was satisfaction with the officer's billet title; that is, if the title is sufficiently descriptive of the duties performed and properly reflected the status the commensurate responsibilities should enjoy. The question was prompted by the knowledge that there is a movement in business away from the title "controller" and toward the more euphemistic "financial vice-president"--which also represents an increase in status. No such sentiment developed here, however. None of the comptrollers felt that a change was either necessary or desirable. This suggests that there is adequate status associated with the title or that there is less concern with such sophisticated nuances among Marine officers than among their

civilian counterparts. We would tend to agree that both of these conclusions may be valid.

On the other hand, 5 of the 25 fiscal officers are dissatisfied in some measure with their billet titles. A Force Troops and a Camp Fiscal Officer each thinks the title "comptroller" would be more appropriate; a Division Fiscal Officer thinks "assistant financial manager" would be more appropriate; while two fiscal officers think, in their cases, that "allotment accounting officer" would be most descriptive.

Another "status" question which attempted to probe how the financial manager views his assignment asked what peculiar abilities, experience or aptitudes he possessed which, he felt, led to his assignment. No attempt was made to tally any abilities, experiences or aptitudes, for it was not the intent of the question to develop any such listing. Rather, it was believed that if the respondent rationalized his assignment in almost any positive fashion, it would be an indication of confidence in himself and a feeling of "status," since by another question, B-8, it had already been established that this group as a whole felt that financial management was extremely important.

While we cannot absolutely vouch for the psychology behind the question, it appears that morale is high, since 84% gave some type of positive response to this question.

While the foregoing questions sought to find out how the financial manager views himself, by another set of questions it was hoped to measure, in some degree at least, how he, in turn, was viewed

by the command. It has already been noted that these officers are used widely on boards, committees and planning groups which would indicate that most commands are employing these officers' talents. The comptrollers frequently chair these groups, but where this is not the case, the chief of staff or a general staff officer usually serves in this capacity, which is indicative of the importance associated with the work done by these groups.

Another set of questions related to the officer's reporting senior. It was thought that if the commander or chief of staff were the reporting senior, that this would also provide a measure of a positive relationship between the staff financial managers and their commanders. All of the comptrollers enjoy such a relationship, but five of the twenty-five fiscal officers do not. Four of these exceptions are rated by the logistics officer (either G-4 or S-4). Three of these feel they should be rated by the commander or chief of staff.

Another test of "nearness to the throne" was thought to lie in the response to the question: Are you expected to be present at all of the commander's staff meetings? Inexplicably, one base comptroller answered: "No; very few." All other comptrollers do attend, however, as do 80% of the fiscal officers. Four of the five who do not are subordinates to comptrollers who do attend.

It was hoped by still another set of questions to find out which officers in the command the comptrollers and fiscal officers most often consult with for advice, assistance or guidance, and vice versa. But,

in retrospect, the question was poorly constructed in that it asked for too many responses and the evaluation difficulty was further compounded by the fact that some responders listed as many as four staff officers in each of the three categories provided for: most often, next most often, and next most often. It was thought that if these results could be correlated, additional insights into the relationship of the financial managers with other staff officers and the commander could be obtained, but under the circumstances the effort was abandoned.

Nonetheless, there seems to be sufficient evidence to conclude that financial management officers do have a considerable degree of stature both in their own eyes and in the eyes of their peers and commanders.

Finally, an effort was made to identify extraordinary problem areas which were universally troublesome. The question was asked as follows:

If you consider any of the following to be extraordinary problem areas, please rank numerically the most troublesome area(s):

_____ Obtaining sufficient guidance from higher headquarters.

_____ Obtaining timely guidance from higher headquarters.

_____ Understanding guidance from higher headquarters.

_____ Obtaining useful input from the staff.

_____ Obtaining useful input from subordinate units.

_____ Other(s). (Specify) _____

Eighteen of the 45 responses indicate that none of the areas suggested constituted extraordinary problems. There was some tendency simply to rank all five of the suggested areas. The lower the rank of the officer who responded, the more often this occurred. But it is difficult to believe that each of these is an extraordinary problem area. Therefore, in Table 14 only the highest two rankings of multiple responses have been tabulated.

It is interesting to note that of the suggested problem areas tabulated, the greatest number of responses by each of the three groupings of officers relate to the two internal problems. Internal problems are also brought up in four of the "other problems," about which more will be said later. This would seem to correlate with the strong support for additional training of Marine personnel in those financial management techniques which was noted earlier.⁹

The external problem area of most apparent concern relates to the timeliness of guidance from higher headquarters. It might also be noted that if only the first ranking problem area had been tabulated, the same overall results would have obtained.

It was recognized that by suggesting certain possible problem areas, a degree of bias was introduced into this question. It was hoped, therefore, that the "other (specify)" responses would yield some unbiased results. As can be seen from the table, over one-third of the officers

⁹Supra., p. 67.

TABLE 14
DISTRIBUTION OF PROBLEM AREAS

Billet Title	None of these problems	External Problems			Internal Problems		
		Sufficient Guidance	Timely Guidance	Under- standing Guidance	Staff Input	Subordinate unit input	Other Problems
Comptrollers	5	1	3	--	4	2	7
Fiscal Officers	8	4	7	3	7	10	6
Other Related	5	1	3	1	4	2	4
Total	18	6	13	4	15	14	17

rose to the occasion, some offering as many as three problems for consideration.

The grouping of these responses into meaningful categories without doing violence to the answers was not easy, but we believe the following discussion preserves the intent and meaning as it is presented in the returned questionnaires.

Three areas developed which are clearly the most troublesome: personnel, reports and standards. Each of these areas received four or more "votes." The personnel problem has already been alluded to. But briefly restated, the problem is that without properly trained personnel, particularly accountants, and without supply and maintenance personnel who understand the problems and techniques of financial management, it is extremely difficult to generate good accounting data for reporting and planning purposes.

As to the reports problems, they can best be synthesized something like this: there are many reporting requirements, sometimes duplicative and often "crash," which are expensive and/or difficult to prepare, of limited local use and which lack uniformity.

This lack of uniformity in reports relates directly to the last of the three most common problem areas--standards. Here the criticism is that there is a need for both standards in cost estimates and accounting, with less reliance on local ground rules, and for consistency in policies on a long range basis so that rules aren't continually changing.

Three other problem areas each received two votes. These were: limited data processing capacity, lack of understanding by higher authorities of local problem areas, and--from two comptrollers at different aviation commands--lack of sufficient and timely guidance from the Bureau of Weapons. Perhaps this last point could be construed as backhanded praise for Marine Corps guidance.

In addition there were single "write-in votes" for these problems: the budget is too complicated; there are inconsistencies between regulations and practices as to the comptroller's responsibilities in connection with nonappropriated fund activities; and, there is too much centralization of fiscal control at too high a level. This last criticism is from a regimental S-4/fiscal officer who feels that regimental and battalion commanding officers should have more control of and responsibility for the financial management of their commands.

This concludes the analysis of results from the questionnaires. Their evaluation will be attempted in the chapter which follows.

CHAPTER IV

THE FUTURE - A STATEMENT OF CONCLUSIONS

This is an age of crisis. International tensions which teeter on the edge of doom have preoccupied the world scene for more than a decade and promise to continue unabated for an indefinable period into the future. These critical conditions have stimulated a national spirit of military preparedness. To satisfy the twin strategic requirements of deterrence and retaliation, the nation's armed might has been maintained at a level unprecedented in former periods of peace.

This is an age of scientific and technological revolution. New formulas, concepts and products are evolved at a frenzied pace. Traditionally cherished precepts crumble at an astounding rate before the inexorable expansion of the frontiers of science. The image of warfare has been altered beyond recognition. New weapons and equipment leap from the drawing boards with almost incomprehensible rapidity and apparent inexhaustibility. Modern arms pass into the oblivion of obsolescence before achieving a truly operational status.

The confluence of these two conditions, international rivalry and a scientific explosion, have caused the costs of national security to rise to astronomical proportions. A nation which expended \$200 billion to successfully prosecute the holocaust known as World War II currently devotes resources approximately equal to this amount to national defense in a time span of four to five peacetime years. This situation--the enormity of military expenditures--has caused ever increasing interest in military financial management and the growing importance of its effective utilization in the interests of efficiency and economy in the military establishment.

Since 1953, the Marine Corps has been committed to the development of a financial management program, although it is somewhat narrower in scope than the concept applied at the departmental level of the other services. Despite the restrictive pattern of the program which may be attributable, at least in part, to the still relatively diminutive size of the Corps and the relatively paltry sums of money required for its support, current popular appreciation of a formalized system of financial management has reached a pitch of near unanimity. This fact is attested to by the preponderant percentage of questionnaire responses which contain expressions of the indispensable nature of effective management of appropriated funds to efficient military operations.

Furthermore, it appears that this tide of opinion is not generated by a spontaneous recognition of the importance of an abstract concept but rather is born of the burden of increased time and effort devoted to budget formulation and administration.

This situation provides the first major conclusion which can be drawn from the results of the survey described in the previous chapter--that there is a wider-spread involvement with financial matters than might commonly be supposed. To be sure, we take it for granted that the operations officer, say, inevitably becomes involved in personnel, intelligence and logistics matters; or that the aviation maintenance officer, say, becomes involved in personnel, operations, training and supply problems. So then, what is the difference when commanders and a great number of staff officers come into contact with and become involved in financial matters? To us it seems that the essential difference is that all Marines have grown up with and have been schooled over the years in the former type of relationships--the significance, the procedures, the techniques have been learned in an evolutionary process. But the thrust of financial management into military affairs has been quick, deep and wide. This has created problems and a need for general knowledge and appreciation throughout the Marine Corps--not just technical knowledge on the part of specialists. Perhaps most significant, it is a dynamic process. There is evidence on every hand here in Washington that these sweeping changes are still in process, so that the full impact cannot yet be truly assessed.

The evidence to support this conclusion lies in the overwhelming recognition of the need for additional training in the financial field.

It appears from the supporting comments that the need is for both general and specific education. General education utilizing the excellent facilities and systems already in existence, such as the Marine Corps Schools, the Marine Corps Institute, and perhaps supplemented, as one respondent suggested, by traveling teams which would visit major commands for the specific purpose of holding financial management seminars, should be able rapidly to broaden the base of knowledge, understanding and appreciation throughout the Marine Corps. This should alleviate many of the problems attendant to the first conclusion. The evidence from the questionnaires is that present procedures are not now adequate to the need.

Specific education is being provided through the Navy post-graduate program, both in Washington and Monterey, and by the Marine Corps Supply Schools. There is evidence from the questionnaires, however, that these facilities do not meet the entire need. The establishment of a Marine Corps Management School, with emphasis on financial management, is recommended by a number of respondents and the need for accounting and cost technicians is alluded to by others. We would suspect that complementing the existing specific educational programs along those lines would go a long way toward alleviating the problems attendant to the second major conclusion.

The Marine Corps has traditionally used its school system extensively in the development and perfection of military techniques. Why should not the schools play an equally active role in the development and perfection of management techniques? To paraphrase one colonel's observation in recommending the establishment of a management school, "the best way to learn and master a subject is to have to teach it." We find it hard to argue with his logic. We know from personal experience that this is true for individuals. We believe that it can also be true for an entire Service. A Marine Corps-wide effort to teach financial management effectively would provide the lubrication needed to smoothly fit these new techniques in alongside all the existing techniques, which are equally complex, but with which we have had the advantage of growing up.

Of the other areas of interest and controversy which were examined, the results are too inconclusive to permit the drawing of major conclusions. However, they too in many cases are indicative of, grow from, and, in general, support the three major conclusions presented above. At least it can be said that they are not incompatible, even in their inconclusiveness, with the basic postulate that expanded educational efforts offer the best hope of solving the myriad problems of financial management.

Finally, a word about our individual reactions as we bring this study to a close. Upon reflection on our efforts, we admit to the possibility that the end results may be dismissed as obvious or forgone by those who, by virtue of their experience, are already knowledgeable in the field of financial management as it has developed and is practiced in the Marine Corps. We would hope that such were not the case, but rather that the study had indeed provided some insights of value into the state of the art--even for the experts. Whichever is the case, we can only state that this exercise has been vastly productive for its authors.

Since each of us has arrived, by one path or another, at something of a turning point in his career, we were and are naturally curious about the opinions, attitudes and impressions of others toward financial management. The process of evaluation just completed has been most thought-provoking and stimulating in this regard. If by luck something of honest value has been created, then this is an added bonus for us.

APPENDIX A

COVER LETTER TO A MARINE CORPS FISCAL EVALUATION RESEARCH PROJECT

From: Senior Officer, Marine Corps Fiscal Evaluation Research Project

To: Distribution list

Subject: An Evaluation of Financial Management in the Marine Corps

Encl (1): Fiscal Questionnaire

1. PURPOSE: To assist in an evaluation of financial management in the Marine Corps by providing informational data, in the form of a fact and opinion survey of Marine officers, to an independent research group for analysis.
2. BACKGROUND: Ever increasing emphasis on the military budget, budgetary process and military financial management in general makes an appraisal of the Marine Corps Fiscal system a vital and valuable project; therefore, a research group under the auspices of George Washington University has been authorized to collect and analyze various data concerning financial management in the Marine Corps. In an effort to facilitate this evaluation, enclosure (1), a questionnaire, is being distributed as a means of gathering needed information from the field. The objective of this survey is to provide data which can be used to determine the extent of existing

knowledge and appreciation of financial management among the officer corps and a possible requirement for an educational effort in this area.

3. ACTION: Addressees are requested to distribute enclosure (1), to be completed anonymously, and a copy of this letter to the officers assigned to the following billets:

1. Commanding General or Commanding Officer (as appropriate).
2. Chief of Staff or Executive Officer (as appropriate).
3. G-1 or S-1 (as appropriate).
4. G-2 or S-2 (as appropriate).
5. G-3 or S-3 (as appropriate).
6. G-4 or S-4 (as appropriate).
7. Supply Officer.
8. All Comptroller/Fiscal Officers.
9. Maintenance Officer
10. Special Services Officer.
11. Two Commanding Officers, Regiment/Marine Aircraft Group (FMF units only).
12. Two Battalion/Squadron Commanders (FMF units only)

Recipients of this questionnaire will complete and mail it in the attached envelope not later than 30 November 1961 to the:

Fiscal Evaluation Research Project
Room 206, The George Washington University
710 21st Street, N. W.
Washington 6, D. C.

APPENDIX B

FISCAL QUESTIONNAIRE AND INSTRUCTIONS FOR THE
MARINE CORPS FISCAL EVALUATION RESEARCH PROJECT

INSTRUCTIONS

To: Officer Addressee

Subj: An Evaluation of Financial Management in the Marine Corps

1. Purpose. To assist in an evaluation of financial management as currently practiced in the Marine Corps by providing informational data, in the form of a fact and opinion survey of Marine officers.
2. Background. Ever increasing emphasis on the military budget, budgetary process and military financial management in general makes an appraisal of current Marine Corps financial management practices as a vital responsibility of command an essential and valuable project; therefore, a research group of Marine Corps officers under the auspices of George Washington University has been authorized to collect and analyze various data concerning financial management in the Marine Corps. In an effort to facilitate this evaluation, the attached questionnaire is being distributed as a means of gathering needed information from the field. The objective of this survey is to provide data which can be used to determine the extent of existing knowledge and appreciation of

financial management among the officer corps and a possible requirement for greater orientation and understanding of this command responsibility.

3. Action. Addressees are requested to complete the attachment anonymously and mail it in the envelope provided not later than 30 November 1961 to the:

Fiscal Evaluation Research Project
Room 206
The George Washington University
710 21st Street, N. W.
Washington 6, D. C.

FISCAL QUESTIONNAIRE

General Instructions:

1. Names and/or signatures are not desired; accurate and concise answers to questions are requested.

SECTION A: Background information (to be completed by everyone filling out a questionnaire)

A-1. Rank _____ 2. Year Group _____

A-3. Military Occupational Specialties:

(Primary) _____

(Additional) _____

A-4. Age _____ A-5. Present Billet _____

A-6. Length of Service (in years) USMC Officer _____

USMC Enlisted _____ Other (specify) _____

A-7. During the past ten years, what percentage of your principal assignments have been in each of the following areas?

Command Billets _____% Supply _____%

Personnel _____% Maintenance _____%

Operations/Intelligence _____% Fiscal _____%

Logistics _____% Other _____%

(Total 100%)

A-8. What professional officer service operated schools have you attended? (i.e., Junior School, Senior School, like Army, Navy, and Air Force schools)

A-9. Have any of these professional officer service operated schools conducted any instruction in military financial management, governmental budgeting, etc.? If yes, briefly indicate kind and extent of such instruction and effectiveness.

(Enclosure 1)

- A-10. Have you completed any military correspondence courses in the field of business administration? (If yes, list the major ones.)
- A-11. Indicate the highest year of formal education completed. (Circle appropriate number)
- less - 8 - 9 - 10 - 11 - 12 - 13 - 14 - 15 - 16 - more
- A-12. List academic degrees possessed and major field of study. (I.e., B.A. - History; M.A. - English)
- A-13. List any major formal business administration education not covered above. (Correspondence schools, etc.)

SECTION B: General Fiscal Survey (to be completed by all who receive a questionnaire).

- B-1. Have you ever been assigned a Fiscal Officer's or Comptroller's billet?
- B-2. Have you ever been involved in the formulation of a budget or administration of an allotment? If yes, briefly describe your participation and/or contribution.
- B-3. Have you read paragraphs 209 and 210 of the U. S. Marine Corps Staff Manual (NAVMC-1110-Ao3F) pertaining to the duties of the Comptroller and Fiscal Matters?

- B-4. Prior to receipt of this questionnaire have you ever read Marine Corps Order P7300.9 of 21 July 1961, Subject: Marine Commanders and Financial Management?
- B-5. On the basis of the information contained in paragraphs 209 and 210 of the Staff Manual and MCO P7300.9, what do you consider are the duties of the Fiscal Officer or Comptroller?

- B-6. Where should the Fiscal Officer or Comptroller be located in the organizational chart? General Staff? Special Staff? Above the General Staff level?

Why?

- B-7. What is the lowest organizational level where you believe there is a requirement for a Fiscal Officer? (Division/Wing, Regiment/MAG, etc.)

- B-8. What is your opinion of the importance, if any, of financial management to the military in general, and the Marine Corps in particular?

- B-9. Based on your personal knowledge and experience, is it your opinion that the official written material provided for the purpose of guidance in fiscal matters is adequate?

Why?

B-10. What financial management references have you had occasion to use?

B-11. Is there a need to formally educate more Marine Officers in the fundamentals of financial management?

Why?

B-12. What methods would you recommend to accomplish this education?

SECTION C: Responses to the following questions are desired from officers currently assigned by T/O as Comptrollers or Fiscal Officers and by recipients of this questionnaire who formerly were so assigned (in which case, the answers would be applicable to their most recent assignment in the financial management field.)

C-1. What is your primary duty billet title?

C-2. List any additional duty billet titles.

C-3. If, in your opinion, your fiscal billet title is not sufficiently descriptive of the financial management duties which you perform or does not adequately reflect the status which you do or should enjoy on the staff, what billet title would you recommend as more suitable?

- C-4. What, in your opinion, were your peculiar abilities, aptitudes or qualifications which led to your initial assignment in a financial management billet?
- C-5. What is the billet title of the reporting senior on your fitness report?
- C-6. If an officer with a different billet title first prepares "suggested markings" for your fitness report, what is his billet title?
- C-7. If different from the response to item 5, what is the billet title of the officer to whom you believe you should report in order to perform financial management responsibilities most effectively?
- C-8. In your financial management capacity, which staff officers (by billet title) at your level of command come to you most often for advice, assistance, or guidance?
- (a) Most often _____
- (b) Next most often _____
- (c) Next most often _____
- C-9. In your financial management capacity, which staff officers (by billet title) at your level of command do you consult with most often for advice, assistance, or guidance?
- (a) Most often _____
- (b) Next most often _____
- (c) Next most often _____

C-10. Are you expected to be present at all the Commander's staff meetings?
If not, what percentage of them do you attend?

C-11. To which committees, boards, councils, planning groups or similar bodies which exist in your command have you been assigned because of your financial management responsibilities.

What is the billet title of the officer chairing each such group?

C-12. Considering only those duties which you perform in connection with financial management responsibilities, please give your best estimate as to the percentage of time you devote to:

(a) Fulfilling the requirements imposed by higher headquarters. _____%

(b) Fulfilling the requirements imposed within your immediate command (exclusive of implementing requirements imposed by higher headquarters. _____%

(c) Creative efforts of your own devising _____%
100%

C-13. If you consider any of the following to be extraordinary problem areas, please rank numerically the most troublesome area(s):

_____ Obtaining sufficient guidance from higher headquarters

_____ Obtaining timely guidance from higher headquarters

_____ Understanding guidance from higher headquarters

_____ Obtaining useful input from the staff

_____ Obtaining useful input from subordinate units

_____ Other(s) (specify) _____

APPENDIX C

DISTRIBUTION OF THE COMMANDS RECEIVING THE MARINE CORPS

FISCAL EVALUATION RESEARCH PROJECT QUESTIONNAIRE

Commanding General, Fleet Marine Force, Pacific
Commanding General, Fleet Marine Force, Atlantic
Commanding General, Aircraft, Fleet Marine Force Pacific
Commanding General, Force Troops, Pacific
Commanding General, Force Troops, Atlantic
Commanding General, First Marine Division
Commanding General, Second Marine Division
Commanding General, First Marine Aircraft Wing
Commanding General, Second Marine Aircraft Wing
Commanding General, Third Marine Aircraft Wing
Commanding General, Marine Corps Supply Activities,
Philadelphia
Commanding General, Marine Corps Supply Center, Barstow
Commanding General, Marine Corps Supply Center, Albany
Commanding General, Marine Corps Schools, Quantico
Commanding General, Marine Corps Base, Camp Pendleton
Commanding General, Marine Corps Base, Camp Lejeune

Commanding General, Marine Corps Air Station, Cherry Point

Commanding General, Marine Corps Air Station, El Toro

Commanding General, Marine Corps Recruit Depot, San Diego

Commanding General, Marine Corps Recruit Depot, Parris Island

Commanding Officer, Marine Corps Air Station, Kaneohe

Commanding Officer, First Force Service Regiment

Commanding Officer, Second Force Service Regiment

Commanding Officer, Third Force Service Regiment

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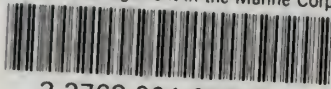
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